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March 2, 2006

VIA ELECTRONIC MAIL SERVICE AND HAND-DELIVERY

The Honorable Charles L.A. Terreni
Chief Clerk
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: Application of LMDS for a Certificate of Public Convenience and
Necessity to Provide Competitive Local Exchange and Interexchange
Telecommunications in the State of South Carolina and for
Alternative Regulation, and for Flexible Regulation
Docket No. 2006-10-C, Our File No. 1157-11359

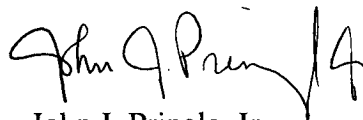
Dear Mr. Terreni:

Enclosed is the original and ten (10) copies of the **Motion for Protective Treatment and Basis for Filing Exhibit E as a Trade Secret** filed on behalf of LMDS Holdings, Inc. in the above-referenced matter. Attached hereto also is the Exhibit in question.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it via the person delivering same.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,



John J. Pringle, Jr.

JJP/cr

cc: Office of Regulatory Staff Legal Department (w/o enclosure)
Mr. David LaFrance (w/o enclosure)
Katherine E. Barker, Esquire (w/o enclosure)

Enclosures

SC PUBLIC SERVICE
COMMISSION

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Before the
STATE OF SOUTH CAROLINA
PUBLIC SERVICE COMMISSION

SC PUBLIC SERVICE
COMMISSION

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Application of)
)
LMDS Holdings, Inc.)
)
for Authority to Provide)
Competitive Local Exchange and)
Interexchange Telecommunications)
Services in the State of South Carolina,)
Alternative Regulation, and for)
Flexible Regulation)

Docket No. _____

**MOTION FOR PROTECTIVE TREATMENT AND
BASIS FOR FILING EXHIBIT E AS TRADE SECRET**

Introduction

LMDS Holdings, Inc. ("Holdings" or "Applicant"), by its attorneys and pursuant to S.C. Code Ann. § 39-8-10, *et seq.*, and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion") in the above-captioned proceeding. By this Motion, the Applicant seeks protective treatment by the South Carolina Public Service Commission ("Commission"), of certain commercially-sensitive financial statements attached as ***Exhibit E***, filed as Trade Secret to its Application for Facilities-Based and Resold Local Exchange Telecommunications Services in the State of South Carolina ("Application"). Because this Motion is an inseparable part of Holdings' Application, it is being filed concurrently therewith.

In support of this Motion, the Applicant provides the following:

1. The exact legal name, address and telephone number of the Applicant:

LMDS HOLDINGS, INC.
11111 SUNSET HILLS ROAD
RESTON, VA 20190
TELEPHONE: (703) 547-2000

2. Correspondence or communications regarding this Motion should be

addressed to:

John J. Pringle, Jr.
Benjamin A. Traywick
ELLIS, LAWHORNE & SIMS, P.A.
1501 Main Street, Suite 500
P.O. Box 2285
Columbia, South Carolina 29202
Telephone: (803) 779-0066
Facsimile: (803) 799-8479

and

Brad E. Mutschelknaus
Katherine E. Barker Marshall
KELLEY DRYE AND WARREN, LLP
1200 19th Street, NW, Suite 500
Washington, DC 20036
Tel. (202) 955-9669
Fax (202) 955-9792

with a copy to:

David LaFrance
Regulatory and External Affairs
LMDS Holdings, Inc.
11111 Sunset Hills Road
Reston, VA 20190
Telephone: (703) 547-2682
Facsimile: (703) 547-2881

I. Description of Confidential Information.

3. The Application for a Competitive Local Exchange and Interexchange Telecommunications Services in the State of South Carolina, Alternative Regulation, and for Flexible Regulation requires the Applicant to disclose evidence of financial fitness through the submission of documentation of its financial resources and ability to provide the requested service. In conformity with this requirement, the Applicant submits copies of its financial statements, including projected Balance Sheet and Income Statement as *Exhibit E* to Holdings' Application. These documents contain highly confidential and strictly proprietary information, the public disclosure of which may result in direct, immediate and substantial harm to the competitive position of the Applicant in South Carolina and elsewhere.

II. Grounds for Claim of Confidentiality.

4. The Applicant is presently immune from a legal obligation to prepare or submit projected financial statements, or any other financial information, to any public entity. As such, the financial statements attached as *Exhibit E* to Holdings' Application are not readily available to persons external to the Applicant.

5. Because the projected financial statements submitted by the Applicant in support of its Application contain confidential and commercially-sensitive information from which its competitors may derive economic value, the Applicant seeks to protect such material from public disclosure. The Applicant derives independent economic value from the fact that significant, detailed and proprietary information regarding its financial structure and current financing activities is unknown to its competitors. Given this fact, the disclosure of this information could provide existing and potential competitors, including competitive local exchange carriers ("CLECs"), incumbent local exchange carriers ("ILECs"), independent local exchange carriers and interexchange carriers ("IXCs") in South Carolina, as well as in other states in which the Applicant provides or intends to provide telecommunications service, with an unfair and undeserved competitive advantage.

Conclusion

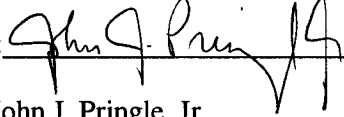
The projected financial information included in support of Holdings' Application, for which Confidential Treatment is sought, is both proprietary and competitively-sensitive. The substantial and direct harm that could be caused to the Applicant as a result of any disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required the Applicant to make this information available to the public. For all of these reasons, the projected financial statements attached as *Exhibit E* to Holdings' Application should be protected from public disclosure by the Commission.

WHEREFORE, LMDS Holdings, Inc. respectfully requests that the South Carolina Public Service Commission grant this Motion for Protective Treatment with respect to the projected financial statements attached as *Exhibit E* to its Application for a Certificate to Provide Facilities-Based and

Resold Local Exchange Telecommunications Services in the State of South Carolina, and filed *under seal*
as Confidential in this proceeding.

Respectfully submitted,

LMDS HOLDINGS, INC.

By: _____

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Its Attorneys

Dated: March 2, 2006